



# CONSUMER NEWS

PAUL J. PFINGST, DISTRICT ATTORNEY

JANUARY 2002

## Legislative Update

**Once again consumer interests were represented this year by the California Legislature.** The following is a partial list of the measures that were signed into law that protect consumers. These measures went into effect on January 1, 2001 unless otherwise stated.

### Identity Theft

**SB125**, (Alpert, D-San Diego) requires credit card issuers, banks, utilities and certain other creditors to supply copies of fraudulent credit applications to law enforcement agencies and to the VICTIMS without a subpoena. The victim must provide a copy of the identity theft police report to the credit card issuer.

**AB655** (Wright, D-Los Angeles) allows identity theft victims the opportunity to block the reporting of fraudulent activities on their credit report. Agencies must delete inquiries for credit reports based upon requests that the agency has verified were a result of identity theft. Creditors are prohibited

from selling a consumer debt if the file is blocked with respect to that debt and the consumer has provided the creditor with sufficient information in writing showing that the debt is a result of identity theft. It also requires any person who uses a consumer's credit report for a credit transaction to take reasonable steps to verify the accuracy of the consumer's address if the address on the report does not match the address of the consumer requesting or being offered credit.

**AB245** (Wyland, R-Escondido) makes it a crime to use another person's information for an unlawful purpose, even if the identity thief obtains the victim's personal information with the victim's authorization or knowledge.

**SB168** (Bowen, D-Marina Del Rey) requires credit-reporting agencies to place a security alert and freeze on the release of information upon the request of identity theft victims. This will be phased in between July 2002

and July 2005. It also prohibits anyone, including state and local agencies from publicly posting, displaying or making available an individual's Social Security number.

### Contractors:

**SB135** (Figueroa, D-Fremont) requires the CSLB to disclose complaint information against contractors to consumers prior to formal legal action being taken. The complaints must be serious enough that if proven they could result in suspension or revocation of a license.

### Automobiles

**AB1560**, (Nation, D-San Rafael) upgrades the act of operating as an automotive repair dealer without a valid registration from an infraction to a misdemeanor.

**SB1178** (Burton, D-San Francisco) requires the Department of Consumer Affairs to evaluate and make recommendations regarding the approval and regulation of non-manufacturer and after market crash parts for use in auto repairs.

**AB481**(Spier D-San Francisco), requires car dealers to display in their showrooms a list of each vehicle advertised for sale in newspapers or other publications disseminated to the general public.

#### **Students**

**AB201**(Wright, D-Los Angeles) requires schools to become current on delinquent payments to the Student Tuition Reimbursement Fund. This fund was created to reimburse students if a school goes defunct prior to the student completing his/her education.

**AB521**(Koretz, D W. Hollywood) encourages colleges and universities to require credit card and debt education as part of campus orientation for new students, and requires certain colleges and universities to regulate marketing practices used by credit card companies on their campuses.

#### **Telemarketing**

**SB771** (Figueroa, D-Fremont) will require the California Attorney General's Office to maintain a Do Not Call list that will prohibit telemarketers from calling consumers on the list, unless they have a previous business relationship. This will be effective January 1, 2003.

**AB870** (Wesson, D-Culver City) prohibits the use of automatic calling equipment during telemarketing calls when no person or prerecorded message is available.

#### **Funeral Services**

**AB408** (Correa, D-Santa Ana) modifies current laws regulating the cemetery and crematory establishments by removing the licensing exemption for crematories that are operated by cemeteries, and by requiring that the current name, address and telephone number of the Cemetery and Funeral Bureau, appear on the first page of any contract for goods or services.

**AB1277**, (Cardenas, D-Sylmar) requires funeral homes to provide written notice that the deceased has already paid for services through a pre-need arrangement.

#### **Financial Protection**

**AB1088**, (Jackson, D-Santa Barbara) requires dry cleaners, tailors, and hair/beauty salons to clearly post the prices of their 15 most popular services and to display a sign stating that it's illegal to base pricing on gender.

**AB865**(Hertzberg, D-Los Angeles) by July 1, 2002 credit card companies will be required to inform their customers how long it will take to pay off their debt if they make only the minimum payment each month.

**AB120** (Havice, D-Bellflower) Creates a new misdemeanor crime for discriminating against a person for being in the military with respect to the terms of a loan or financing.

**AB489**(Midgen, D-San Francisco) provides consumers (borrowers)

with important protections against deceptive and destructive predatory lending practices. Effective July 1, 2002.

#### **Miscellaneous**

**SB26** (Figueroa, D-Fremont) repeals and reconstitutes the Dental Board because the Legislature found the current board ineffective.

**SB722** (Figueroa, D-Fremont), requires more training for security guards, and increases fines for violations.

**SB769** (Figueroa, D-Fremont), requires any person or owner of a guard dog who operates a business to sell, rent or train such dogs, to obtain a permit from the local public agency for animal care or protection services.

**AB1014** (Papan D-Millbrae), requires public agencies to assist a person who wants to inspect or copy public records (this does not include law enforcement investigation records) to make a focused and effective request by identifying records and information that is responsive to the request or the purpose of the request; Describing the information technology and physical location in which the records exist; and providing ways to overcome any practical basis for denying access to the records or information sought.

For a more information on each of these bills and the others passed into law this year, you can visit the California State Senate website at

[www.sen.ca.gov](http://www.sen.ca.gov) , and the California  
Assembly webpage at  
[www.assembly.ca.gov](http://www.assembly.ca.gov)

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